



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-140]

Certain Mobile Access Equipment and Subassemblies Thereof from the People's Republic of China: Final Affirmative Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of certain mobile access equipment and subassemblies thereof (mobile access equipment) from the People's Republic of China (China).

The period of investigation is January 1, 2020, through December 31, 2020.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Theodore Pearson or Michael Romani, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2631 or (202) 482-0198, respectively.

SUPPLEMENTARY INFORMATION:

Background

The petitioner in this investigation is the Coalition of American Manufacturers of Mobile Access Equipment. In addition to the Government of China, the selected mandatory respondents are Zhejiang Dingli Machinery Co., Ltd. (Dingli) and Lingong Group Jinan Heavy Machinery Co., Ltd. (LGMG).

On July 30, 2021, Commerce published the *Preliminary Determination* in the *Federal Register*.¹ A summary of the events that occurred since Commerce published the *Preliminary Determination* may be found in the Issues and Decision Memorandum.² The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. A list of topics discussed in the Issues and Decision Memorandum is included at Appendix II. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the Investigation

The products covered by this investigation are mobile access equipment from China. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

On July 26, 2021, we issued the Preliminary Scope Decision Memorandum.³ We received comments from interested parties on the Preliminary Scope Decision Memorandum, which we addressed in the Final Scope Decision Memorandum.⁴ Commerce is modifying the scope language as it appeared in the *Preliminary Determination*. *See* Appendix I for the final scope of this investigation.

Analysis of Subsidy Programs and Comments Received

¹ *See Certain Mobile Access Equipment and Subassemblies Thereof from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination*, 85 FR 80771 (December 14, 2020) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² *See* Memorandum, "Certain Mobile Access Equipment and Subassemblies Thereof from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ *See* Memorandum, "Certain Mobile Access Equipment and Subassemblies Thereof from the People's Republic of China: Scope Comments Decision Memorandum for the Preliminary Determination," dated July 26, 2021 (Preliminary Scope Decision Memorandum).

⁴ *See* Memorandum, "Antidumping Duty and Countervailing Duty Investigations of Certain Mobile Access Equipment and Subassemblies Thereof from the People's Republic of China: Final Scope Decision Memorandum," dated concurrently with, and hereby adopted by, this notice (Final Scope Decision Memorandum).

The subsidy programs under investigation and the issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issue raised by parties, and to which we responded in the Issue and Decision Memorandum, is attached to this notice at Appendix II.

Methodology

Commerce conducted this investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, Commerce determines that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ For a full description of the methodology underlying our final determination, *see* the Issues and Decision Memorandum.

In making this final determination, Commerce is relying, in part, on facts otherwise available, including adverse facts available (AFA), pursuant to sections 776(a) and (b) of the Act. For a full discussion of our application of AFA, *see* the *Preliminary Determination* and the section “Use of Facts Otherwise Available and Adverse Inference” in the accompanying Issues and Decision Memorandum.⁶

Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Act.⁷

Changes Since the Preliminary Determination

⁵ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁶ See Preliminary Decision Memorandum at “Use of Facts Otherwise Available and Adverse Inferences;” *see also* Issues and Decision Memorandum at “Use of Facts Otherwise Available and Adverse Inference.”

⁷ See Commerce’s Letters, “Certain Mobile Access Equipment and Subassemblies Thereof from the People’s Republic of China: Zhejiang Dingli Machinery Co., Ltd. Verification Questionnaire,” and “Certain Mobile Access Equipment and Subassemblies Thereof from the People’s Republic of China: Lingong Group Jinan Heavy Machinery Co., Ltd. Verification Questionnaire,” both dated August 17, 2021.

Based on our review and analysis of the comments received from parties, as well as additional information collected in questionnaires issued subsequent to the *Preliminary Determination*, we made certain changes to Dingli’s and LGMG’s subsidy rate calculations, the rate for non-cooperating respondents, and the all-others rate. For a discussion of these changes, see the Issues and Decision Memorandum.

All-Others Rate

We continue to calculate the all-others rate using a weighted average of the individual estimated subsidy rates calculated for the examined respondents (Dingli and LGMG) using each company’s publicly-ranged data for the value of their exports to the United States of subject merchandise.⁸

Final Determination

Commerce determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate (percent)
Lingong Group Jinan Heavy Machinery Co., Ltd. ⁹	18.34
Zhejiang Dingli Machinery Co., Ltd. ¹⁰	11.95
Jinan Zhongtian International Trading ¹¹	448.70
Zhongshan Shiliwang Machinery Co., LTD ¹²	448.70
Yantai Empire Industry and Trade ¹³	448.70
Shandong Lede Machinery ¹⁴	448.70
Shandong Huifeng Auto Fittings ¹⁵	448.70

⁸ See *Preliminary Determination*, 85 FR at 41013; see also Memorandum, “Countervailing Duty Investigation of Certain Mobile Access Equipment and Subassemblies Thereof from the People’s Republic of China; Revised All-Others Calculation for the Final Determination,” dated concurrently with this memorandum.

⁹ Cross-owned affiliate is Linyi Lingong Machinery Group Co., Ltd.

¹⁰ Cross-owned affiliates are Zhejiang Green Power Machinery Co., Ltd. and Shengda Fenghe Automotive Equipment Co., Ltd.

¹¹ See Preliminary Decision Memorandum at section “Application of AFA: Non-Responsive Companies.”

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

Jinan Zhongtang Mechanical Equipment ¹⁶	448.70
All Others	12.93

Disclosure

Commerce intends to disclose to interested parties the calculations and analysis performed in this final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of the publication of this notice in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

As a result of our *Preliminary Determination* and pursuant to section 703(d)(1)(B) and (d)(2) of the Act, we instructed U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise from China that were entered, or withdrawn from warehouse, for consumption, effective July 30, 2021, which is the date of publication of the *Preliminary Determination* in the *Federal Register*.

In accordance with section 705(c)(1)(C) of the Act, we will direct CBP to continue to suspend liquidation of all imports of the subject merchandise from China that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. The suspension of liquidation instructions will remain in effect until further notice. We are also directing CBP to collect countervailing duty deposits at the rates described above.

If the U.S. International Trade Commission (ITC) issues a final affirmative injury determination, we will issue a CVD order, and continue to require a cash deposit of estimated countervailing duties for such entries of subject merchandise in the amounts indicated above, in accordance with section 706(a) of the Act. If the ITC determines that material injury, or threat of material injury, does not exist, this proceeding will be terminated, and all estimated duties

¹⁶ *Id.*

deposited or securities posted as a result of the suspension of liquidation will be refunded or canceled.

ITC Notification

In accordance with section 705(d) of the Act, we will notify the ITC of our final affirmative determination that countervailable subsidies are being provided to producers and exporters of mobile access equipment from China. Because the final determination in this proceeding is affirmative, in accordance with section 705(b) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of mobile access equipment from China no later than 45 days after our final determination. In addition, we are making available to the ITC all non-privileged and nonproprietary information related to this investigation. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue a countervailing duty order directing CBP to assess, upon further instruction by Commerce, countervailing duties on all imports of the subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance.

Notification Regarding APOs

In the event that the ITC issues a final negative injury determination, this notice will serve as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or

conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

This determination is issued and published pursuant to sections 705(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: October 12, 2021.

Ryan Majerus,

Deputy Assistant Secretary for Policy and Negotiations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation consists of certain mobile access equipment, which consists primarily of boom lifts, scissor lifts, and material telehandlers, and subassemblies thereof. Mobile access equipment combines a mobile (self-propelled or towed) chassis, with a lifting device (*e.g.*, scissor arms, boom assemblies) for mechanically lifting persons, tools and/or materials capable of reaching a working height of ten feet or more, and a coupler that provides an attachment point for the lifting device, in addition to other components. The scope of this investigation covers mobile access equipment and subassemblies thereof whether finished or unfinished, whether assembled or unassembled, and whether the equipment contains any additional features that provide for functions beyond the primary lifting function.

Subject merchandise includes, but is not limited to, the following subassemblies:

- scissor arm assemblies, or scissor arm sections, for connection to chassis and platform assemblies. These assemblies include: (1) pin assemblies that connect sections to form scissor arm assemblies, and (2) actuators that power the arm assemblies to extend and retract. These assemblies may or may not also include blocks that allow sliding of end sections in relation to frame and platform, hydraulic hoses, electrical cables, and/or other components;
- boom assemblies, or boom sections, for connection to the boom turntable, or to the chassis assembly, or to a platform assembly or to a lifting device. Boom assemblies include telescoping sections where the smallest section (or tube) can be nested in the next larger section (or tube) and can slide out for extension and/or articulated sections joined by pins. These assemblies may or may not include pins, hydraulic cylinders, hydraulic hoses, electrical cables, and/or other components;
- chassis assemblies, for connection to scissor arm assemblies, or to boom assemblies, or to boom turntable assemblies. Chassis assemblies include: (1) chassis frames, and/or (2) frame sections. Chassis assemblies may or may not include axles, wheel end components, steering cylinders, engine assembly, transmission, drive shafts, tires and wheels, crawler tracks and wheels, fuel tank, hydraulic oil tanks, battery assemblies, and/or other components;
- boom turntable assemblies, for connection to chassis assemblies, or to boom assemblies. Boom turntable assemblies include turntable frames. Boom turntable assemblies may or may not include engine assembly, slewing rings, fuel tank, hydraulic oil tank, battery assemblies, counterweights, hoods (enclosures), and/or other components.

Importation of any of these subassemblies, whether assembled or unassembled, constitutes unfinished mobile access equipment for purposes of this investigation.

Processing of finished and unfinished mobile access equipment and subassemblies such as trimming, cutting, grinding, notching, punching, slitting, drilling, welding, joining, bolting, bending, beveling, riveting, minor fabrication, galvanizing, painting, coating, finishing, assembly, or any other processing either in the country of manufacture of the in-scope product or in a third country does not remove the product from the scope. Inclusion of other components not identified as comprising the finished or unfinished mobile access equipment does not remove the product from the scope.

The scope excludes forklifts, vertical mast lifts, mobile self-propelled cranes and motor vehicles that incorporate a scissor arm assembly or boom assembly. Forklifts are material handling vehicles with a working attachment, usually a fork, lifted along a vertical guide rail with the operator seated or standing on the chassis behind the vertical mast. Vertical mast lifts are person and material lifting vehicles with a working attachment, usually a platform, lifted along a vertical guide rail with an operator standing on the platform. Mobile self-propelled cranes are material handling vehicles with a boom attachment for lifting loads of tools or materials that are suspended on ropes, cables, and/or chains, and which contain winches mounted on or near the base of the boom with ropes, cables, and/or chains managed along the boom structure. The scope also excludes motor vehicles (defined as a vehicle driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways, but does not include a vehicle operated only on a rail line pursuant to 49 U.S.C. § 30102(a)(7)) that incorporate a scissor arm assembly or boom assembly. The scope further excludes vehicles driven or drawn by mechanical power operated only on a rail line that incorporate a scissor arm assembly or boom assembly. The scope also excludes: (1) rail line vehicles, defined as vehicles with hi-rail gear or track wheels, and a fixed (non-telescopic) main boom, which perform operations on rail lines, such as laying rails, setting ties, or other rail maintenance jobs; and (2) certain rail line vehicle subassemblies, defined as chassis subassemblies and boom turntable subassemblies for rail line vehicles with a fixed (non-telescopic) main boom.

Certain mobile access equipment subject to this investigation is typically classifiable under subheadings 8427.10.8020, 8427.10.8030, 8427.10.8070, 8427.10.8095, 8427.20.8020, 8427.20.8090, 8427.90.0020 and 8427.90.0090 of the Harmonized Tariff Schedule of the United States (HTSUS). Parts of certain mobile access equipment are typically classifiable under subheading 8431.20.0000 of the HTSUS. While the HTSUS subheadings are provided for convenience and customs purposes only, the written description of the merchandise under investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Subsidies Valuation
- IV. Use of Facts Otherwise Available and Adverse Inferences
- V. Analysis of Programs
- VI. Analysis of Comments

General Issues

- Comment 1: Countervailability of the Provision of Certain Inputs and Services for Less Than Adequate Remuneration (LTAR)
- Comment 2: Countervailability of the Provision of Electricity for LTAR
- Comment 3: Countervailability of Other Subsidies
- Comment 4: Currency Undervaluation
- Comment 5: Export Buyer's Credit
- Comment 6: Whether to Average Dingli's Steel Benchmark Sources with UN Comtrade Data
- Comment 7: Benchmarks for the Provision of Hot-Rolled Steel Sheet and Plate for LTAR
- Comment 8: Benchmarks for the Provision of Ocean Shipping Services for LTAR and Ocean Freight in Input LTARs
- Comment 9: Certain UN Comtrade Benchmarks

Dingli Issues

- Comment 10: Whether Commerce Erred in Calculating Dingli's Use of the Provision of Cold-Rolled Steel for LTAR
- Comment 11: Whether Commerce Should Use Dingli's Consolidated Sales as the Denominator

LGMG Issues

- Comment 12: Whether Commerce Should Countervail LGMG's Off-the-Road (OTR) Tires
- Comment 13: Whether Commerce Should Countervail Lithium-Ion Batteries for LTAR
- Comment 14: Whether Commerce Should Reconsider the Benchmark for Diesel Engines and Which Diesel Engines Are Countervailable
- Comment 15: Whether Commerce Should Revise LGMG's Reported Total Sales Value
- Comment 16: Whether Commerce Should Include an Additional "Other Subsidy Program" in LGMG's Overall Subsidy Rate

VII. Recommendation

[FR Doc. 2021-22705 Filed: 10/18/2021 8:45 am; Publication Date: 10/19/2021]